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Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
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**QUARTERLY REPORT PURSUANT TO ORDER
ESTABLISHING PROCEDURES TO (I) RESTRUCTURE,
(II) MAKE NEW OR ADDITIONAL DEBT OR EQUITY INVESTMENTS
IN, AND/OR (III) ENTER INTO SETTLEMENTS AND COMPROMISES
IN CONNECTION WITH EXISTING REAL ESTATE INVESTMENTS**

Pursuant to the Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure Establishing Procedures to (I) Restructure, (II) Make New or Additional Debt or Equity Investments In, And/Or (III) Enter Into Settlements And Compromises In Connection With Existing Real Estate Investments, entered on November 23, 2009 (the “Order”),¹ the Court granted Lehman Brothers Holdings Inc. and its affiliated debtors in the above-referenced chapter 11 cases (together, the “Debtors”) authority to (i) restructure the terms of, (ii) make new or additional debt and/or equity investments in, and/or (iii) enter into settlements and compromises in connection with existing commercial mortgage loans, commercial mezzanine loans, residential mortgage loans, repurchase facilities and other

¹ All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Order.

loans and similar facilities either owned by the Debtors or in which the Debtors have a direct or indirect debt or equity investment or other interest, in each case directly or indirectly in or secured by real property or interests therein (collectively “Real Estate Loan Transactions”), in accordance with the procedures set forth in the Order.

As required by the Order, the Debtors hereby file the quarterly report, annexed hereto as Exhibit A, of Real Estate Loan Transactions entered into by the Debtors for the period November 23, 2009 through and including February 28, 2010.

Dated: March 10, 2010
New York, New York

/s/ Shai Y. Waisman
Shai Y. Waisman

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Exhibit A

Real Estate Loan Transactions¹

¹ Capitalized terms used but not defined in this Exhibit A shall have the meaning ascribed to them in the Order.

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Real Estate Loan Transactions
For the Period 11/23/09 to 2/28/10

Type of Real Estate Loan Transaction (Restructure, New Investment, Settlement or combination)	Value of Real Estate Investment underlying Transaction	Amount of New Investment (if applicable)
New Investment	\$14,686,471	\$184,554.00
New Investment	\$56,030,312.34	\$46,731.22
New Investment	\$255,705.05	\$60,000.00
New Investment	\$21,034,295.05	\$684.00
New Investment	\$2,670,504.00 ¹	\$918.29
New Investment	\$10,260,991.02	\$7,000.00
New Investment	\$13,215,261.14	\$65.74
New Investment	\$20,427,787.18	\$522,796.16
New Investment	\$20,427,787.18	\$150,450.00
New Investment	\$15,719,740.42	\$11.00
New Investment	\$7,409,987.67	\$2,034.94
Restructure	N/A ²	N/A
New Investment	\$8,858,281.48	\$99,795.10
New Investment	\$255,705.05	\$60,000.00
New Investment	\$4,686,097.39	\$12,000.00
Restructure	\$46,392,946.32	N/A
New Investment	\$1,381,718.36	\$33,236.57

¹ The value listed for this Real Estate Investment represents the Mark-to-Market Carrying Value as of June 30, 2009.

² This position was participated to a third party as of 12/31/08 and, as such, the value of this interest to the estate could not be quantified at that time. The Creditors' Committee reviewed and approved this transaction.

Type of Real Estate Loan Transaction (Restructure, New Investment, Settlement or combination)	Value of Real Estate Investment underlying Transaction	Amount of New Investment (if applicable)
New Investment	\$70,021,856.56 ³	\$1,500,000.00
Restructure	N/A ⁴	N/A
Restructure	\$70,917,581.18	N/A
Restructure, Settlement	\$50,186,977.37	N/A
New Investment	\$14,686,470.64	\$2,063,462.91
New Investment	\$37,144,739.39	\$123,770.92
New Investment	\$56,030,312.34	\$43,134.34
New Investment	\$255,705.05	\$102,546.72
New Investment	\$255,705.05	\$42,546.72
New Investment	\$18,059,177.92	\$5,181.56
New Investment	\$10,260,991.02	\$20,593.00
New Investment	\$70,021,856.56 ⁵	\$2,000,000.00
New Investment	\$5,367,560.81	\$4,000.00
New Investment	\$10,276,960	\$56,000.00
New Investment	\$15,719,740.42	\$526.30

³ The value listed for this Real Estate Investment reflects the Mark-to-Market Carrying Value for a mortgage loan on the related property. The Debtors also have an existing mezzanine loan position on the property which has a Mark-to-Market Carrying Value of \$71,436,393.23.

⁴ This position was participated to a third party as of 12/31/08 and, as such, the value of this interest to the estate could not be quantified at that time. The Creditors' Committee reviewed and approved this transaction.

⁵ The value listed for this Real Estate Investment reflects the Mark-to-Market Carrying Value for a mortgage loan on the related property. The Debtors also have an existing mezzanine loan position on the property which has a Mark-to-Market Carrying Value of \$71,436,393.23.

Type of Real Estate Loan Transaction (Restructure, New Investment, Settlement or combination)	Value of Real Estate Investment underlying Transaction	Amount of New Investment (if applicable)
New Investment	\$7,409,987.67	\$6,009.65
New Investment	\$15,000,000.00	\$1,604.79
New Investment	\$56,030,312	\$10,000.00
New Investment	\$70,021,856.56 ⁶	\$300.00
New Investment	\$10,276,960	\$129.00
New Investment	\$8,360,020	\$41,325.00
Restructure	N/A ⁷	N/A
New Investment	\$5,585,802	\$4,500.00
New Investment	N/A ⁸	\$3,890,444.79
New Investment	\$4,958,537	\$36,312.20
New Investment	\$15,409,111	\$111,501.61
New Investment	\$746,044	\$200.00
New Investment	\$16,548,049	\$132,500.01
Settlement	\$0.00	N/A
Restructure	N/A ⁹	N/A

⁶ The value listed for this Real Estate Investment reflects the Mark-to-Market Carrying Value for a mortgage loan on the related property. The Debtors also have an existing mezzanine loan position on the property which has a Mark-to-Market Carrying Value of \$71,436,393.23.

⁷ This position was participated to a third party as of 12/31/08 and, as such, the value of this interest to the estate could not be quantified at that time. The Creditors' Committee reviewed and approved this transaction.

⁸ This position was participated in part and sold in part, subject to the Debtors' right to repurchase, to third parties as of 12/31/08 and, as such, the value of this interest to the estate could not be quantified at that time. The Creditors' Committee reviewed and approved this transaction.

⁹ This position was participated to a third party as of 12/31/08 and, as such, the value of this interest to the estate could not be quantified at that time. The Creditors' Committee reviewed and approved this transaction.

Type of Real Estate Loan Transaction (Restructure, New Investment, Settlement or combination)	Value of Real Estate Investment underlying Transaction	Amount of New Investment (if applicable)
New Investment	\$17,760,780.98	\$4,750.00
New Investment	N/A ¹⁰	\$1,477,372.84
New Investment	\$14,686,471	\$413,152.78
New Investment	\$255,708	\$62,000.00
New Investment	\$15,719,740.42	\$52,109.24
New Investment	\$10,260,991.02	\$20,804.84
New Investment	\$37,144,739	\$9,785.32
New Investment	\$7,409,987.67	\$7,949.60
New Investment	\$5,367,560.81	\$1,975.00
New Investment	\$15,602,708	\$74,708.39

¹⁰ This position was participated in part and sold in part, subject to the Debtors' right to repurchase, to third parties as of 12/31/08 and, as such, the value of this interest to the estate could not be quantified at that time. The Creditors' Committee reviewed and approved this transaction.